GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:189
ANSWERED ON:11.12.2008
RESTRICTIONS ON NEW LPG CONNECTIONS
Chandrappan Shri C.K.;Mondal Shri Abu Ayes

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the State owned oil marketing companies have stopped providing new LPG connections ;

(b) if so,the details thereof;

(c) whether the Government owes oil companies huge arrears on account of unpaid subsidy bills ;

(d) if so,the details thereof; and

(e) the steps taken by the Government in this regard ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (e) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 189 BY SHRI ABU AYES MONDAL AND SHRI C. K. CHANDRAPPAN TO BE ANSWERED ON 11TH DECEMBER, 2008 REGARDING RESTRICTIONS ON NEW LPG CONNECTIONS.

(a) & (b) : No, Sir.Public Sector Oil Marketing Companies (OMCs) have not stopped release of new LPG connections.New LPG connections are made available as soon as possible and in any case, within a period of sixty days.At present,new LPG connections are available for genuine domestic customers and as on 01.11.2008, there are 1036.9 lakh LPG customers in the country.OMCs have reported that they have released 25.6 lakh new LPG connections in the country during the period April-October, 2008.

(c) to (e): Government had decided to issue bonds worth Rs. 35,289.50 crores to OMCs in respect of expected losses/under-realization for marketing sensitive petroleum products for the financial year 2007-08.

Further,Government decided to issue bonds worth Rs. 44,967 crores to OMCs in respect of under-realisation on marketing sensitive petroleum products for the first half of the year 2008-09.

Out of the total outstanding Bonds for Rs.59,923.17 crores (including Bonds of Rs. 14,956.17 crores for the 4th quarter of 2007-08),Bonds for Rs. 22,000 crores were issued to the OMCs in November, 2008.

In addition to above,Government provides a fixed rate of subsidy from the Budget on domestic LPG and PDS kerosene.A provision for Rs. 2700 crore towards this subsidy has been made in the Budget for 2008-09.